



Date JUL 19 1967

Date .....  
 Fee \$ 70 ..... RECORDATION NO. 8895 Filed & Recorded

ICC Washington, D. JUL 19 1977 -3 12 PM

**INTERSTATE COMMERCE COMMISSION**

Secretary  
Interstate Commerce Commission  
Washington, D.C. 20423

RECORDATION NO. .... Filed & Recorded

JUL 19 1977 - 3 10 PM

**INTERSTATE COMMERCE COMMISSION**

Re: Section 20c Filing: North  
American Car (Canada), Limited  
("NACAN")

Dear Mr. Secretary:

Enclosed for recording under Section 20c of the Interstate Commerce Act are 4 executed counterparts of (1) the Equipment Mortgage ("Mortgage") dated as of June 30, 1977, between NACAN, 222 S. Riverside Plaza, Chicago, Illinois 60606 and North American Car Corporation ("North American") 222 S. Riverside Plaza, Chicago, Illinois 60606, (2) the Assignment of Leases ("Assignment") dated as of June 30, 1977, by and between North American and NACAN and (3) the Assignment of Canadian Collateral Documents ("Second Assignment") dated as of June 30, 1977 between North American and National Bank of North America, 44 Wall Street, New York, New York 10005.

Under the Mortgage NACAN mortgages the equipment described therein to North American in accordance therewith and assigns to North American as security for NACAN's obligation under the Mortgage ~~all of the proceeds, rents and other payments with respect to such~~ equipment and rights of North American with respect thereto and to manufacturers and lessees thereof as provided in the Mortgage.

Under the Assignment NACAN assigns as security its interest in the Leases (as defined therein) to and agrees with North American in accordance therewith.

Under the Second Assignment North American assigns as security its interest in the Mortgage and the Assignment in accordance therewith.

Also enclosed is a check, payable to the Interstate Commerce Commission, in the amount of \$70.00 as the recording fee for the Mortgage and the Assignment.

**ROGER A. NOBACK**  
VICE PRESIDENT—LAW

## NORTH AMERICAN CAR CORPORATION

222 SOUTH RIVERSIDE PLAZA • CHICAGO, ILLINOIS 60606 U.S.A. • (312) 648-4105 • TELEX 25-5222

**TIGER LEASING GROUP**

Interstate Commerce Commission

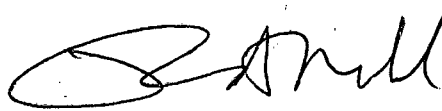
July 18, 1977

Page 2

Pursuant to the Commission's rules and regulations for the recording of certain documents under Section 20c of the Interstate Commerce Act, you are hereby requested to duly file two of the enclosed counterparts for record in your office and to return the remaining counterparts, together with the Secretary's Certificate of Recording, to the messenger making this delivery.

If you have any questions, please contact me.

Very truly yours,

A handwritten signature in dark ink, appearing to be "S. M. Hall", written in a cursive style.

**Interstate Commerce Commission**

**Washington, D.C. 20423**

**7/19/77**

**OFFICE OF THE SECRETARY**

**Roger A NoBack  
North American Car Corp.  
222 South Riverside Plaza  
Chicago, Illinois 60606**

Dear

**Sir:**

The enclosed document(s) was recorded pursuant to the provisions of Section 20(c) of the Interstate Commerce Act,

49 U.S.C. 20(c), on

**7/19/77**

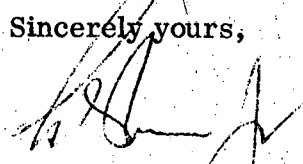
at

**3:10pm**

and assigned recordation number(s)

**8895, 8895-A, 8895-B**

Sincerely yours,

  
**H.G. Homme, Jr.  
Acting Secretary**

Enclosure(s)

**SE-30-T  
(6/77)**

8895  
RECORDATION NO. .... Filed & Recorded

JUL 19 1977 - 3 12 PM

INILKSTATE COMMERCE COMMISSION

EQUIPMENT MORTGAGE

THIS EQUIPMENT MORTGAGE, dated <sup>as of</sup> June 30, 1977,  
from NORTH AMERICAN CAR (CANADA), LTD., an Ontario cor-  
poration, with its principal offices at 222 South Riverside  
Plaza, Chicago, Illinois 60606 (herein called "Mortgagor")  
to NORTH AMERICAN CAR CORPORATION, a Delaware corporation,  
having an office at 222 South Riverside Plaza, Chicago,  
Illinois 60606 (herein called the "Mortgagee"),

W I T N E S S E T H :

WHEREAS, the Mortgagor is indebted to the Mort-  
gagee in an amount equal to Two Million (\$2,000,000) Dollars  
and such indebtedness is evidenced by the note of even  
date herewith (the "Canadian Note") made by the Mortgagor  
to the order of the Mortgagee in such amount; and,

WHEREAS, the Canadian Note and the principal and  
interest thereon and any and all extensions or renewals  
thereof in whole or in part and all other indebtedness,  
liabilities and obligations of the Mortgagor to the Mort-  
gagee, whether now existing or hereafter arising, includ-  
ing, without limitation, under this Mortgage, are herein-  
after referred to as the "Obligations";

NOW, THEREFORE, the Mortgagor, to secure the  
due payment and performance of the Obligations does hereby  
grant, bargain, sell, convey, confirm, transfer, mortgage

and set over unto the Mortgagee, its successors and assigns, forever, and does hereby grant to the Mortgagee a security interest in, all and singular the following described properties, rights and interests, and all of the estate, right, title and interest of the Mortgagor therein, whether now owned or hereafter acquired (all of which property, rights and interests hereby transferred, conveyed and mortgaged or intended so to be is hereinafter collectively referred to as the "mortgaged property") that is to say:

#### DIVISION I

All railroad cars bearing, respectively, the car reporting marks and, if applicable, being leased by Mortgagor under the leases (herein called "Leases") delivered to the respective lessees (herein called "Lessees"), all as set forth and more fully described in ~~Schedule 1~~ attached hereto and in each and every Schedule 1 appurtenant to any Supplement to this Mortgage in the form of Schedule 2 hereto (herein called a "Supplemental Mortgage") added pursuant to the terms of Section 4.2 hereof.

#### DIVISION II

All accessories, equipment, parts and appurtenances appertaining or attached to any of the equipment hereinabove described, whether now owned or hereafter acquired, and all substitutions, renewals and replacements of and additions, improvements, accessions and accumulations to any and all of said equipment, including all additions thereto which are now or shall hereafter be incorporated therein.

#### DIVISION III

All of the proceeds, rents, issues, income, profits, avails, and insurance and indemnity payments with respect to all of the foregoing and any rights, claims and causes of action, if any, which the Mortgagor may now or hereafter have against any of the manufacturers of any of the foregoing or any of the Lessees and all of the proceeds of such rights, claims and causes of action.

SUBJECT, HOWEVER, to all the rights, powers, title and interest of the respective Lessees (if applicable) under the Leases.

TO HAVE AND TO HOLD said mortgaged property unto the Mortgagee, its successors and assigns, forever, for the uses and purposes herein set forth; provided, however, that if the Mortgagor performs the covenants herein and pays to the Mortgagee, its successors or assigns, the full amount of both principal of and interest on the indebtedness hereby secured, and otherwise fully pays and performs the Obligations, then this instrument shall be and become void and of no further force and effect; otherwise this Mortgage to remain in full force and effect.

SECTION 1. COVENANTS AND WARRANTIES:

The Mortgagor covenants, represents, warrants and agrees as follows:

1.1 The Mortgagor is the owner and is lawfully seized and possessed of the mortgaged property and has good right, full power and authority to convey, transfer and mortgage the same to the Mortgagee; and such property is free from any and all liens and encumbrances prior to, on a parity with, or junior to the lien of this Mortgage (excepting only any lien for ad valorem taxes not now in default, and the right, title and interest of Lessees (if applicable) under the Leases) and the Mortgagor will warrant and defend the title thereto against all claims and demands whatsoever (except those of the Lessees (if applicable) or parties claiming by or through the Lessees under the Leases).

1.2 The Mortgagor will do, execute, acknowledge, and deliver all and every further acts, deeds, conveyances, transfers and assurances necessary or proper for the better assuring, conveying, assigning and confirming unto the Mortgagee all of the mortgaged property, or property intended so to be, whether now owned or hereafter acquired.

1.3 The Mortgagor will promptly pay the indebtedness hereby secured as and when the same or any part thereof becomes due (whether by lapse of time, declaration, demand or otherwise) and otherwise duly and promptly pay and perform all of the Obligations.

1.4 Subject to the rights and obligations of the Lessees under the Leases to maintain the equipment covered thereunder the Mortgagor will maintain, preserve and keep or will cause the mortgaged property and each and every part thereof to be maintained, preserved and kept in good repair, working order and condition, and will from time

to time make or cause to be made all necessary and proper repairs, renewals, and replacements so that the value and efficiency of such property shall not be impaired.

1.5 The Mortgagor will from time to time duly pay and discharge or cause to be paid and discharged all taxes, assessments and governmental charges lawfully imposed upon or against the mortgaged property or any part thereof, and will not suffer to exist any mechanics', laborers', statutory or other lien on the mortgaged property or any part thereof; provided, however, that nothing herein contained shall be deemed to require the Mortgagor to pay any tax, assessment, charge or lien, or any claim or demand of mechanics, laborers or others, prior to the due date thereof, or to require the Mortgagor to pay or discharge any tax, assessment, lien, claim or charge (whether or not due or delinquent) the validity or amount of which is being contested in good faith by appropriate proceedings and which has been adequately reserved against.

1.6 The Mortgagor will at its own expense duly comply with and perform all the covenants and obligations of the Mortgagor under the Leases and will at its own expense seek to cause the Lessees to comply with and observe all the terms and conditions of the Leases and, without limiting the foregoing, at the request of the Mortgagee, the Mortgagor will at its own expense take such action with respect to the enforcement of the Leases, and the duties and obligations of the Lessees thereunder, as the Mortgagee may from time to time direct; provided that the Mortgagor shall not, outside of the ordinary course of its business, settle, adjust, compound or compromise any claim against the Lessees under the Leases without the prior written consent of the Mortgagee, which consent shall not be unreasonably withheld or delayed. Mortgagor at its sole cost will appear and defend every action or proceeding arising under, growing out of or in any manner connected with the obligations, duties or liabilities of the Mortgagor as lessor under the Leases.

1.7 The Mortgagor shall not, without the prior written consent of the Mortgagee, which consent will not be unreasonably withheld or delayed, take any action, outside of the ordinary course of its business, to terminate, modify or accept a surrender of any Lease. The Mortgagor shall not in any event consent to the creation or existence of, or permit to exist, any mortgage, security interest, or other lien on any Lease, the rentals due thereunder, or any of the mortgaged property.

1.8 If the Mortgagor shall fail to observe and perform any of the covenants set forth in this Section 1, the Mortgagee may, but need not, advance sums and may perform the same and all such advances made by the Mortgagee shall, with interest thereon at the rate then provided in the Note or 10-1/4% per annum, whichever is higher, constitute part of the Obligations and shall be payable forthwith; but no such act or expenditure by the Mortgagee shall relieve the Mortgagor from the consequence of any default.

1.9 It shall be lawful for the Mortgagor to retain possession of the mortgaged property and at its own expense to keep and use the same, until an Event of Default shall occur hereunder as hereinafter defined.

## SECTION 2. ASSIGNMENT OF LEASES AND APPLICATION OF PROCEEDS OF LEASES

2.1 The Mortgagor has or will have executed and delivered to Mortgagee an Assignment of Leases in the form and text attached hereto as Schedule 3 (herein called an "Assignment of Leases"), with respect to each of the Leases, under which the Mortgagor assigns or transfers unto Mortgagee, its successors and assigns, as further security for the Obligations, each such Lease and all rentals and other sums due and to become due thereunder; provided that, unless and until an Event of Default has occurred and is continuing, all rentals and other sums from time to time payable on account of such Lease shall be paid to and be received by Mortgagor. If an Event of Default has occurred and is continuing, all rentals and other sums from time to time payable on the Leases shall be paid to and received by Mortgagee pursuant to the Assignment of Leases, and shall be applied in the manner set forth in Section 3.3 hereof.

## SECTION 3. DEFAULTS AND OTHER PROVISIONS:

3.1 The term "Event of Default" for the purpose hereof shall mean an "Event of Default" as defined in the Loan Agreement of even date herewith between the Mortgagor and National Bank of North America.

3.2 When any such Event of Default has occurred and is continuing, the Mortgagee may exercise any one or more or all, and in any order, of the remedies hereinafter set forth, it being expressly understood that no remedy herein conferred is intended to be exclusive of any other



remedy or remedies; but each and every remedy shall be cumulative and shall be in addition to every other remedy given herein or now or hereafter existing at law or in equity or by statute:

(a) Subject always to then existing rights, if any, of the Lessees under the Leases, the Mortgagee, personally or by agents or attorneys, shall have the right (subject to compliance with any applicable mandatory legal requirements) to take immediate possession of the mortgaged property, or any portion thereof, and for that purpose may cause Mortgagor to assemble the mortgaged property in one location chosen by Mortgagee, pursue the same wherever it may be found, and may enter any of the premises of the Mortgagor, with or without notice, demand, process of law or legal procedure, and search for, take possession of, remove, keep and store the same, or use and operate the same until sold; it being understood, without limiting the foregoing, that the Mortgagee may, and is hereby given the right and authority to, keep and store said mortgaged property, or any part thereof, on the premises of the Mortgagor, and that the Mortgagee shall not thereby be deemed to have surrendered, or to have failed to take, possession of such mortgaged property;

(b) Subject always to then existing rights, if any, of the Lessees under the Leases, the Mortgagee may, if at any time such action may be lawful and always subject to compliance with any mandatory legal requirements, either with or without taking possession and either before or after taking possession, and without instituting any legal proceedings whatsoever, and having first given notice of such sale by registered mail to the Mortgagor once at least 10 days prior to the date of such sale, and any other notice which may be required by law, sell (including, without limitation, on credit) and dispose of said mortgaged property, or any part thereof, at public auction or private sale to the highest bidder, in one lot as an entirety or in separate lots, and either for cash or on credit and on such terms as the Mortgagee may determine, and at any place (whether or not it be the location of the

mortgaged property or any part thereof) designated in the notice above referred to. Any such sale or sales may be adjourned from time to time by announcement at the time and place appointed for such sale or sales, or for any such adjourned sale or sales, without further notice; and the Mortgagee or the holder or holders of the Note, or of any interest therein, may bid and become the purchaser at any such sale;

(c) The Mortgagee may proceed to protect and enforce this Mortgage and the Note by suit or suits or proceedings in equity, at law or in pending bankruptcy, and whether for the specific performance of any covenant or agreement herein contained or in execution or aid of any power herein granted, or for foreclosure hereunder, or for the appointment of a receiver or receivers for the mortgaged property or any part thereof, for the recovery of judgment for the Obligations, or for the enforcement of any other proper legal or equitable remedy available under applicable law;

(d) The Mortgagee may proceed to exercise in respect of the Leases and the property covered thereby and the duties, obligations and liabilities of the Lessees thereunder, all rights, privileges and remedies in said Leases or by applicable law permitted or provided to be exercised by the Mortgagor, and may exercise all such rights and remedies either in the name of the Mortgagee or in the name of the Mortgagor for the use and benefit of the Mortgagee. Without limiting any of the other terms of this Mortgage or of the Assignment of Leases, it is acknowledged and agreed by the Mortgagor that the Assignment of Leases shall be deemed to give and assign to and vest in the Mortgagee all the rights and powers in this paragraph (d) provided for;

(e) The Mortgagee may sell (including, without limitation, on credit) the rentals reserved under any or all of the Leases, and all right, title and interest of the Mortgagee as assignee thereof, at public auction to the highest bidder and either for cash or on credit, the Mortgagee to give the Mortgagor 10 days' prior

written notice of the time and place of holding any such sale, and provided always that the Mortgagee shall also comply with any applicable mandatory legal requirements in connection with such sale.

3.3 If the Mortgagee shall be receiving or shall have received monies pursuant to the Assignment of Leases, it may from time to time, but no less frequently than on the next succeeding quarterly interest payment date, apply such monies first against any costs or expenses of any and all kinds it may have incurred pursuant to exercising its rights under subsection 3.2(e) hereof and thereafter against the next succeeding installment of interest and then against principal due on the Note, or, if proceedings have been commenced for the sale of the mortgaged property, then all sums so received and the purchase money proceeds and avails of any sale of the mortgaged property or any part thereof, and the proceeds and avails of any other remedy hereunder, or other realization of the security hereby given, and the proceeds of any sale pursuant to subparagraph (e) of Section 3.2 hereof, shall be applied:

(a) First, to the payment of the costs and expenses referred to in the introductory paragraph of this subsection 3.3 above and the costs and expenses of the sale, proceeding or other realization, including all costs and expenses and charges for pursuing, searching for, taking, removing, keeping, storing, advertising and selling such mortgaged property or, as the case may be, said rentals, the reasonable fees and expenses of the attorneys and agents of the Mortgagee in connection therewith, and to the payment of all taxes, assessments, or similar liens on the mortgaged property which may at this time be superior to the lien of this Mortgage (unless such sale or other realization is subject to any such superior lien);

(b) Second, to the payment of all advances made hereunder by the Mortgagee pursuant to Section 1.8 hereof, together with all interest therefor;

(c) Third, to the payment of the whole amount remaining unpaid on the Note, both for principal and interest, and to the payment of any

other indebtedness of the Mortgagor hereunder or secured hereby, so far as such proceeds may reach;

(d) Fourth, to the payment of the surplus, if any, to the Mortgagor, or to whomsoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct.

The Mortgagee shall not be liable for interest on any sums held by it pursuant to this Paragraph 3.3. If there be a deficiency, the Mortgagor shall remain liable therefor and shall forthwith pay the amount of any such deficiency to the Mortgagee.

3.4 Any sale or sales pursuant to the provisions hereof, whether under the power of sale granted hereby or pursuant to any legal proceedings, shall operate to divest the Mortgagor of all right, title, interest, claim and demand whatsoever, either at law or in equity, of, in and to the mortgaged property so sold, and shall be free and clear of any and all rights of redemption by, through or under the Mortgagor. The receipt by the Mortgagee, or by any person authorized under any judicial proceeding to make any such sale, shall be a sufficient discharge to any purchaser of the mortgaged property, or of any part thereof, sold as aforesaid; and no such purchaser shall be bound to see to the application of such purchase money, or be bound to inquire as to the authorization, necessity or propriety of any such sale. In the event at any such sale the holder of the Note is the successful purchaser, such holder of the Note shall be entitled, for the purpose of making settlement or payment, to use and apply the Note by crediting thereon the amount apportionable and applicable thereto out of the net proceeds of such sale.

#### SECTION 4. RELEASE OF EQUIPMENT:

4.1 Upon request of Mortgagor at any time and from time to time Mortgagee shall execute and deliver to Mortgagor a release and/or other documents reasonably requested by Mortgagor releasing, assigning and transferring to Mortgagor or any other parties designated by Mortgagor, all right, title and interest of the Mortgagee hereunder in and to any of the mortgaged property provided that after giving effect to such release the Collateral Value (as defined in the Loan Agreement and herein also called "Collateral Value") of the Eligible Cars (as defined in the Loan Agreement and herein also called "Eligible Cars") remaining shall not be less than the then principal

outstanding amount of the Note and, if such release is pursuant to a substitution of other mortgaged property for the mortgaged property being so released as permitted by Section 4.2 hereof, such substitution of new mortgaged property shall comply with the terms of Section 4.2 hereof.

4.2 At any time and from time to time Mortgagor shall have the right, by mortgages supplemental hereto, to substitute for the mortgaged property other railroad rolling stock owned by the Mortgagor or add additional railroad rolling stock owned by the Mortgagor (whether required by the provisions of the Loan Agreement or otherwise) as additional security hereunder, provided that as of the date thereof (i) in the case of equipment to be substituted, after giving effect to such substitution the Collateral Value of the Eligible Cars remaining shall not be less than the then principal outstanding amount of the Note, and (ii) in the case of equipment to be substituted or to be added, Mortgagor shall provide Mortgagee with all Supplemental Mortgages and Assignments of Lease required by the Mortgagee with regard to such substituted or added equipment, and all other documents and actions reasonably requested by Mortgagee or its counsel to properly effectuate the substitution or addition of such equipment, including without limitation, an opinion of counsel and financing statements, in form and substance satisfactory to the Mortgagee and its counsel.

#### SECTION 5. MISCELLANEOUS.

5.1 Reference is hereby made to Article 1 of the Loan Agreement which provides, among other things for the disposition of all insurance proceeds received by the Mortgagor on account of the destruction of, or damage to, any of the mortgaged property.

5.2 Any notice provided for hereby or by any applicable law to be given to the Mortgagor or Mortgagee shall be in writing and shall be deemed to have been given when delivered personally or when deposited in the United States mail, registered, postage prepaid, addressed to the Mortgagor, attention - President, at its address set forth at the beginning of this Mortgage or the Mortgagee, attention Lease Finance Division, at its address set forth at the beginning of this Mortgage, as the case may be.

5.3 The failure or delay of the Mortgagee to insist in any one or more instances upon the performance of

any of the terms, covenants or conditions of this Mortgage, or to exercise any right, remedy or privilege herein conferred, shall not impair, or be construed as thereafter waiving any such covenants, remedies, conditions or provisions; but every such term, condition and covenant shall continue and remain in full force and effect. Nor shall the giving, taking or enforcement of any other or additional security, collateral for the payment of the Obligations operate to prejudice, waive or affect the security of this Mortgage or any rights, powers or remedies hereunder; nor shall the Mortgagee be required to first look to, enforce or exhaust such other or additional security or collateral.

5.4 The unenforceability or invalidity of any provision or provisions of this Mortgage shall not render any other provision or provisions herein contained unenforceable or invalid.

5.5 All the covenants, stipulations, promises, undertakings and agreements herein contained by or on behalf of the Mortgagor shall bind and inure to the benefit of its successors and assigns, whether so expressed or not. The Mortgagor acknowledges that the Mortgagee shall, pursuant to the Loan Agreement, assign this Mortgage and the rights of the Mortgagee under the Assignment of Leases to National Bank of North America (the "Bank"). Upon such assignment, the Bank shall for all purposes be deemed to be, and to have all of the rights and remedies available hereunder or at law to, the Mortgagee, but the Bank shall have no obligation or liability whatever to perform any of the obligations of the Mortgagee hereunder. Upon notice to it to such effect from the Bank, the Mortgagor shall make all payments, then or thereafter due or to become due by it hereunder or under the Assignment of Leases as the Bank may in such notice direct. The Mortgagor also waives as against the Bank any claims or cause of action which the Mortgagor may now or hereafter have against the Mortgagee arising out of this Mortgage or the Assignment of Leases. All references herein to the obligations of the "Mortgagor under the Loan Agreement" shall be deemed to refer to obligations of the Mortgagor hereunder as if it, rather than the Mortgagee, were a party thereto and the Mortgagor shall be bound thereby.

IN WITNESS WHEREOF, the Mortgagor has caused its corporate name to be hereunto subscribed and its corporate seal to be hereunto affixed by its officers thereunto duly

authorized all as of the day and year first above written.



(Corporate Seal)

ATTEST:

*[Signature]*

Assistant Secretary

NORTH AMERICAN CAR (CANADA), LTD.

By *[Signature]*  
Title

ACCEPTED:

NORTH AMERICAN CAR CORPORATION



ATTEST:

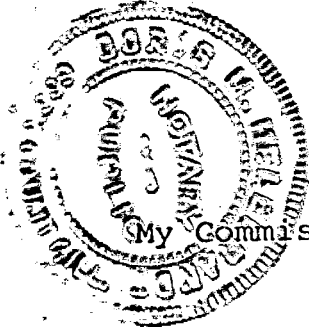
*[Signature]*

Assistant Secretary

By *[Signature]*  
Vice-President

STATE OF ILLINOIS )  
 ) ss.:  
COUNTY OF COOK )

On this <sup>July</sup> 15 day of ~~June~~ 1977, before me personally appeared Robert B Oppenheimer and Roger A. Noack to me personally known, who being by me duly sworn, say that they are, respectively, the Vice President and Assistant Secretary of NORTH AMERICAN CAR (CANADA), LTD., an Ontario corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



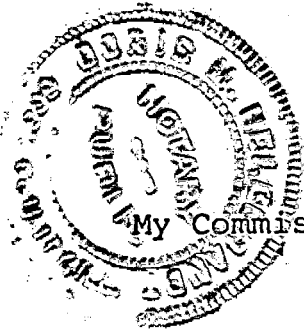
Doris M. Heblbrand  
Notary Public

My Commission expires May 6, 1978



STATE OF ILLINOIS )  
 ) ss.:  
COUNTY OF COOK )

On this 15 day of <sup>July</sup>~~June~~, 1977, before me personally appeared James F. Compton, and Roger A. G. G. G. to me personally known, who being by me duly sworn, say that they are, respectively, the Vice President and ~~Operations Officer~~ <sup>and Secretary</sup> of NORTH AMERICAN CAR CORPORATION, a Delaware corporation, that the seal affixed to the foregoing instrument is the corporate seal of said association, that the said instrument was signed and sealed on behalf of said association by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said association.



Doris M. Helbrecht  
Notary Public

My Commission expires May 6, 1978

# Schedule 1

<u>No. of Cars</u>	<u>Description</u>	<u>Serial Number</u>	<u>Year Built</u>	<u>Total Original Cost</u>	<u>Net AAR Replace. Cost</u>	<u>@ 85%</u>	<u>Lessee</u>
1	100 ton, 28,000 gallon capacity tank car	33208	1969	\$28,526	\$40,037	\$34,031	Imperial Oil
1	TOTAL CANADIAN TANK CARS			\$28,526	\$40,037	\$34,031	
46	100 ton, 3,800 cu.ft. Hopper cars	38654 - 38699	1974	\$1,118,352	\$1,335,636	\$1,135,291	Canpotex
46	TOTAL CANADIAN HOPPERS			\$1,118,352	\$1,335,636	\$1,135,291	

STATE OF ILLINOIS )  
 ) ss.:  
COUNTY OF COOK )

On this            day of            , 1977, before  
me personally appeared            and  
   to me personally known, who  
being by me duly sworn says that they are, respectively,  
the            President and            Secretary of  
North American Car (Canada), Ltd., that the seal affixed  
to the foregoing instrument is the corporate seal of said  
corporation, that said instrument was signed and sealed  
on behalf of said Corporation by authority of its Board  
of Directors, and they acknowledge that the execution  
of the foregoing instrument was the free act and deed of  
said Corporation.

Notary Public [Seal]

My Commission Expires \_\_\_\_\_

SCHEDULE 2

SUPPLEMENT TO THE MORTGAGE  
DATED AS OF \_\_\_\_\_

NORTH AMERICAN CAR (CANADA), LTD., an Ontario corporation (the "Company"), does hereby pledge, mortgage, and grant a security interest unto NORTH AMERICAN CAR CORPORATION ("NACC"), in and to the railroad cars described in the Schedule attached hereto.

This Supplemental Mortgage is issued pursuant to and is governed by the terms and provisions of the Mortgage dated June , 1977, as amended from time to time, between the Company and NACC and filed under §20c of the Interstate Commerce Act on \_\_\_\_\_, 197 at \_\_\_\_\_ as Document Number \_\_\_\_\_.

(Corporate Seal)

NORTH AMERICAN CAR (CANADA), LTD.

ATTEST:

By \_\_\_\_\_

Vice-President

\_\_\_\_\_  
Secretary

SCHEDULE 1

Description of Cars and Leases

<u>Type of Car</u>	<u>Quantity</u>	<u>Lessee</u>	<u>Lease Date</u>	<u>Term</u> <u>(Years)</u>	<u>Car. Numbers</u> <u>(Both Inclusive)</u>	<u>AAR Value</u>	<u>Collateral</u> <u>Value</u>
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### SCHEDULE 3

#### ASSIGNMENT OF LEASES

WHEREAS, NORTH AMERICAN CAR (CANADA), LTD., a corporation of the Province of Ontario (herein referred to as the "Company"), and the lessees listed in Schedule 1 hereto (herein collectively called the "Lessees" and individually called a "Lessee"), have entered into the leases (herein collectively called the "Leases" and individually called a "Lease") listed on Schedule 1 hereto, providing for the lease by the Company to the Lessees of the cars listed on Schedule 1 hereto (herein referred to as the "Cars"); and

WHEREAS, NORTH AMERICAN CAR CORPORATION, a Delaware corporation ("NACC") is the Mortgagee under a certain Mortgage as amended from time to time (herein called the "Security Agreement") dated June , 1977, securing the various obligations of the Company defined in the Security Agreement as the "Obligations" and the Company has agreed to assign all of its right, title and interest in and to the Leases to NACC as additional security for the Obligations.

NOW, THEREFORE, for value received and upon the terms and conditions hereinafter set forth:

1. The Company, in order to secure the due payment and performance by the Company of all of the Obligations and the obligations in this Assignment provided to be performed or observed by the Company, does hereby, sell, assign, transfer and set over to NACC all of the right, title and interest of the Company in and to the rentals and all other amounts payable by the Lessees or any other person, firm or corporation with respect to the Cars or under the Leases, except that any amount so payable shall continue to be paid to and received by the Company until and unless NACC or its successors or the Company shall notify a Lessee or Lessees or any successor to any of their interests that an Event of Default has occurred under the terms and provisions of the Security Agreement (as therein defined) and that the payments are thereafter to be made to NACC or its successors; and in furtherance of this Agreement and transfer, the Company does hereby authorize and empower NACC in the event of notice of a default as aforesaid, in its own name to sue for, collect, receive and enforce all payments to be made to

the Company by any or all of the Lessees under and in compliance on the part of the Lessees with the terms and provisions of the Leases, to exercise all of the rights of the Company under any of the provisions of any or all of the Leases, and in its discretion to take any action under any or all Leases or with respect to the Cars as the Company could have taken thereunder if it had not assigned and transferred its rights therein, provided that nothing herein shall obligate NACC to take any action under any or all of the Leases or in respect of the Cars. In confirmation of, and without limiting or modifying in any manner or to any extent, the foregoing, the Company hereby constitutes NACC and its successors and assigns, its true and lawful attorney, irrevocably and with full power of substitution, in the Company's name or otherwise, to demand, receive, compromise, sue for, and give acquittance for, any and all monies and claims for monies due and to become due under the Leases or otherwise arising out of this Assignment, to endorse any checks or other instruments or orders in connection therewith, and to file any claims and to take any actions or institute any proceedings with respect thereto which to NACC or its successors or assigns may seem necessary or advisable. Anything herein contained to the contrary notwithstanding, neither NACC nor any of its successors or assigns shall have any obligation or liability by reason of or arising out of this Assignment to make any inquiry as to the nature or sufficiency of, to present or file any claim with respect to, or to take any action to collect or enforce the payment of, any amounts to which it may be entitled at any time or times by virtue of this Assignment.

2. The Company warrants and covenants (a) that on the date hereof title to the Cars and the Leases (subject to this Assignment, the Security Agreement and the rights of the Lessees under the Leases) is vested in the Company, that it has good and lawful right to grant a security interest in the Cars and to assign the Leases as provided in the Security Agreement and herein and that its right and title thereto is free (excepting only liens for ad valorem taxes not now in default) from all liens and encumbrances, subject, however, in each case to the rights of the Lessees under the Leases and to the rights of the assignee hereunder and under the Security Agreement; and (b) that notwithstanding this Assignment, it will perform and comply with each and all of the covenants and conditions in the Leases set forth to be complied with by the Company, and that the Bank shall have no obligation whatsoever to perform or comply with any of such covenants or conditions.

3. The Company represents and warrants that each Lease has been duly authorized and executed by it and covenants that it will, from time to time, at the request of NACC, make, execute and deliver all such further instruments of assignment, transfer and assurance and do such further acts and things as the Bank may reasonably request to give effect to the provisions hereof and to confirm the right, title and interest hereby assigned and transferred to NACC or intended so to be.

4. Pursuant to the terms of the Security Agreement and this Assignment, the Company shall not without the prior written consent of NACC:

(a) terminate, modify or accept a surrender of, or offer or agree to any termination, modification or surrender of, any Lease (except as otherwise expressly provided in the Security Agreement) or by affirmative act consent to the creation or existence of any security interest or other lien to secure the payment of indebtedness upon the leasehold estate of the Company created by such Lease; or

(b) assign, transfer or hypothecate (other than to NACC under the Security Agreement) any rent payment then due or to accrue in the future under any Lease in respect of the Cars; or

(c) sell, mortgage, transfer, assign or hypothecate (other than to NACC under the Security Agreement) its interest in the Cars or any part thereof or in any amount to be received by it from the use or disposition of the Cars.

5. Upon the payment in full of the Obligations, the assignment made hereby shall terminate and all estate, right, title and interest of the Bank in and to the Leases shall cease and revert to the Company. NACC agrees that upon payment in full of the Obligations as aforesaid or upon proper request by the Company pursuant to Section 4 of the Security Agreement, it will execute and deliver to the Company a release or reassignment of its interest hereunder as the Company may request.

IN WITNESS WHEREOF, the Company has caused this instrument to be executed by its proper officers thereunto



duly authorized and its corporate seal to be hereunto  
affixed, as of the day of June, 1977,

NORTH AMERICAN CAR (CANADA), LTD.

By \_\_\_\_\_  
Title

ATTEST:

\_\_\_\_\_

ACCEPTED:

NORTH AMERICAN CAR CORPORATION

By \_\_\_\_\_

STATE OF ILLINOIS     )  
                              ) ss.:  
COUNTY OF COOK        )

On this        day of June, 1977, before me personally appeared \_\_\_\_\_ and \_\_\_\_\_ to me personally known, who being by me duly sworn, say that they are, respectively, the \_\_\_\_\_ President and \_\_\_\_\_ Secretary of NORTH AMERICAN CAR (CANADA), LTD., an Ontario corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

\_\_\_\_\_  
Notary Public

My Commission expires \_\_\_\_\_

STATE OF ILLINOIS, )  
 ) ss.:  
COUNTY OF COOK )

On this \_\_\_\_\_ day of June, 1977, before me personally appeared \_\_\_\_\_, and \_\_\_\_\_ to me personally known, who being by me duly sworn, say that they are, respectively, the Vice President and Operations Officer of NORTH AMERICAN CAR CORPORATION, a Delaware corporation, that the seal affixed to the foregoing instrument is the corporate seal of said association, that the said instrument was signed and sealed on behalf of said association by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said association.

\_\_\_\_\_  
Notary Public

My Commission expires \_\_\_\_\_

Schedule 1

<u>No. of Cars</u>	<u>Description</u>	<u>Serial Number</u>	<u>Year Built</u>	<u>Total Original Cost</u>	<u>Net AAR Replace. Cost</u>	<u>@ 85%</u>	<u>Lessee</u>
1	100 ton, 28,000 gallon capacity tank car	33208	1969	\$28,526	\$40,037	\$34,031	Imperial Oil
1	TOTAL CANADIAN TANK CARS			\$28,526	\$40,037	\$34,031	
46	100 ton, 3,800 cu.ft. Hopper cars	38654 - 38699	1974	\$1,118,352	\$1,335,636	\$1,135,291	Canpotex
46	TOTAL CANADIAN HOPPERS			\$1,118,352	\$1,335,636	\$1,135,291	